



2023-03-01  
10:00–11:30 PT  
Zoom Webinar

# Marine Liability and Compensation

## Who Pays for an Oil Spill in Canada and Beyond?

**Office of the Administrator of the Ship-source Oil Pollution Fund**

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Canada

# The Ship-source Oil Pollution Fund

**Unlimited compensation  
available to claimants**

**Nearly 500 claims paid since 1989**

**\$4.5 million**

**Largest-ever direct claim  
payout**

**\$217.86**

**Smallest-ever claim**

**Most claims are for under \$50,000**



*Chaulk Determination, Trois-Rivières, QC (2015)*

# The Independent Administrators

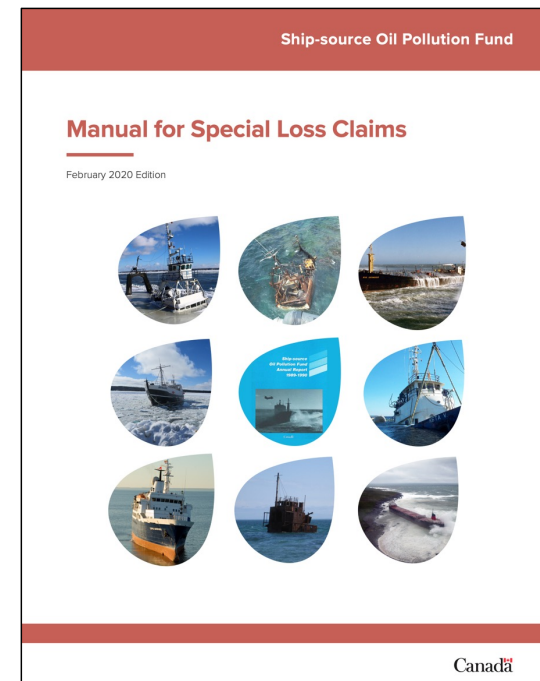
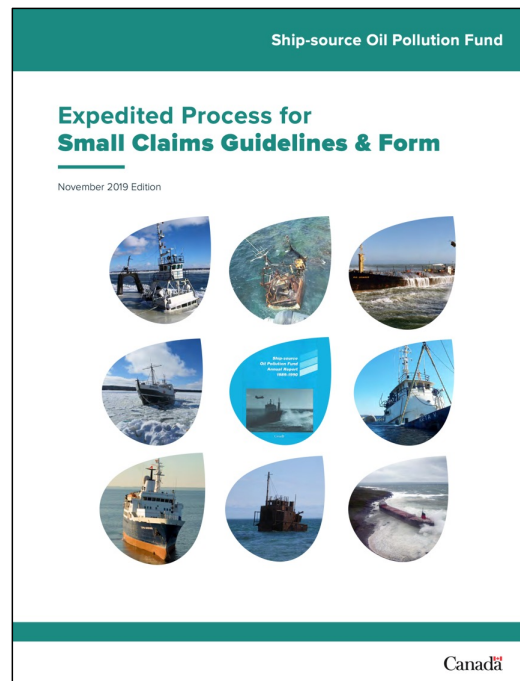
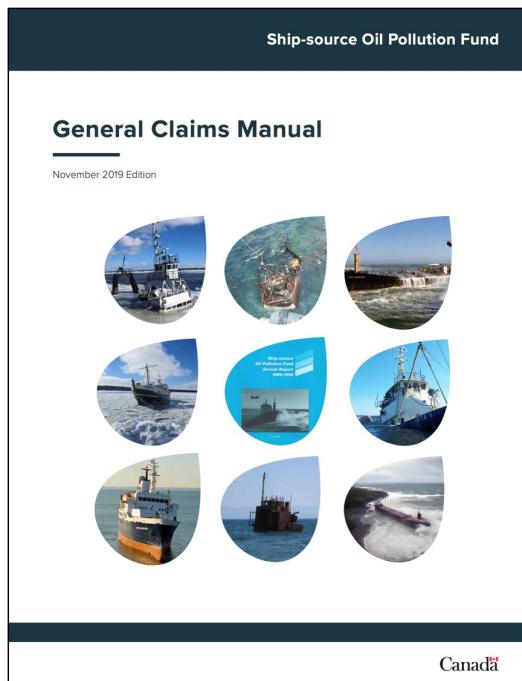


Anne Legars, Administrator  
Appointed 2016

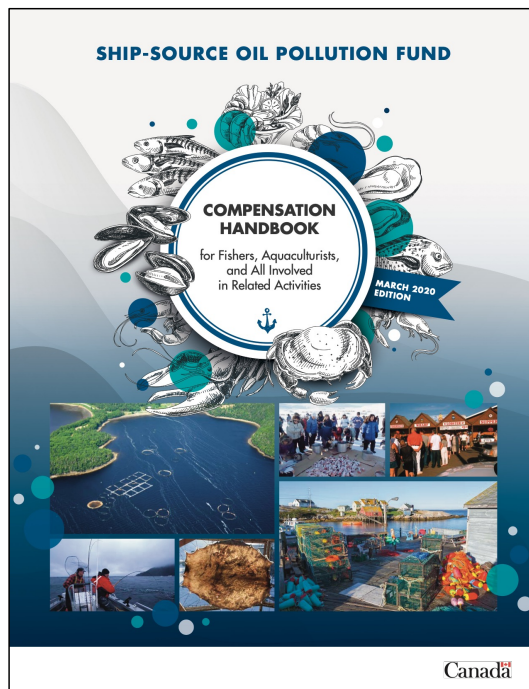
Mark Gauthier, Deputy Administrator  
Appointed 2018

# Claims Manuals

[http://sopf.gc.ca/?page\\_id=543](http://sopf.gc.ca/?page_id=543)



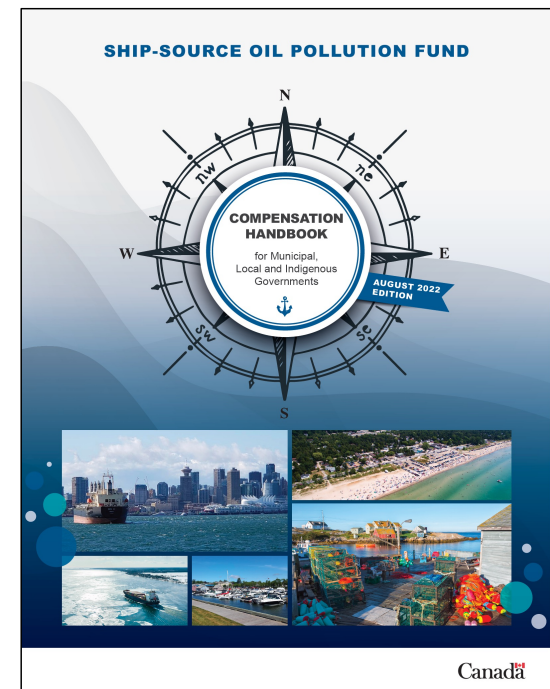
# Other Key Publications



[http://sopf.gc.ca/?page\\_id=9911](http://sopf.gc.ca/?page_id=9911)



[http://sopf.gc.ca/?page\\_id=309](http://sopf.gc.ca/?page_id=309)



[https://sopf.gc.ca/?page\\_id=13033](https://sopf.gc.ca/?page_id=13033)

**“Ship” doesn’t just mean large vessels and tankers.**

**All kinds of ship and boat are covered.**



**“Mystery” spills are also compensable.**



*Clipper Adventurer, 2010*

**An oil spill  
is not required.**

# Compensable Damages Overview



**Preventive  
measures**



**Clean-up  
costs**



**Costs for  
reinstatement of the  
environment**



**Property  
damage**



**Economic  
loss**



**Fisheries  
losses**



**Tourism  
losses**

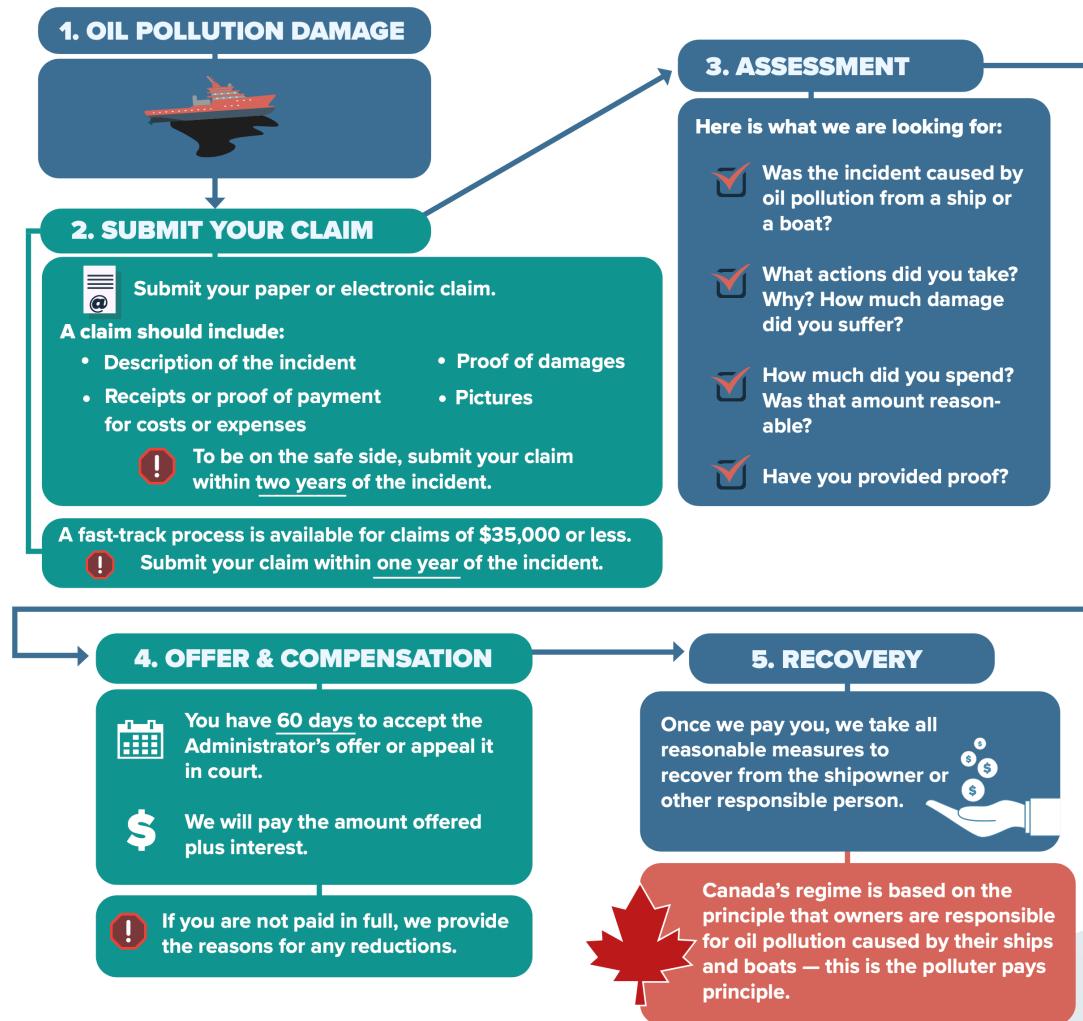


**Loss of  
subsistence living**



*Bear in mind, the Administrator can only  
reimburse for reasonable costs and expenses.*

# Claims Process Overview



**Up to \$50 million in advance response funding available to the Department of Fisheries and Oceans (i.e., the Canadian Coast Guard) in the event of a significant incident.**



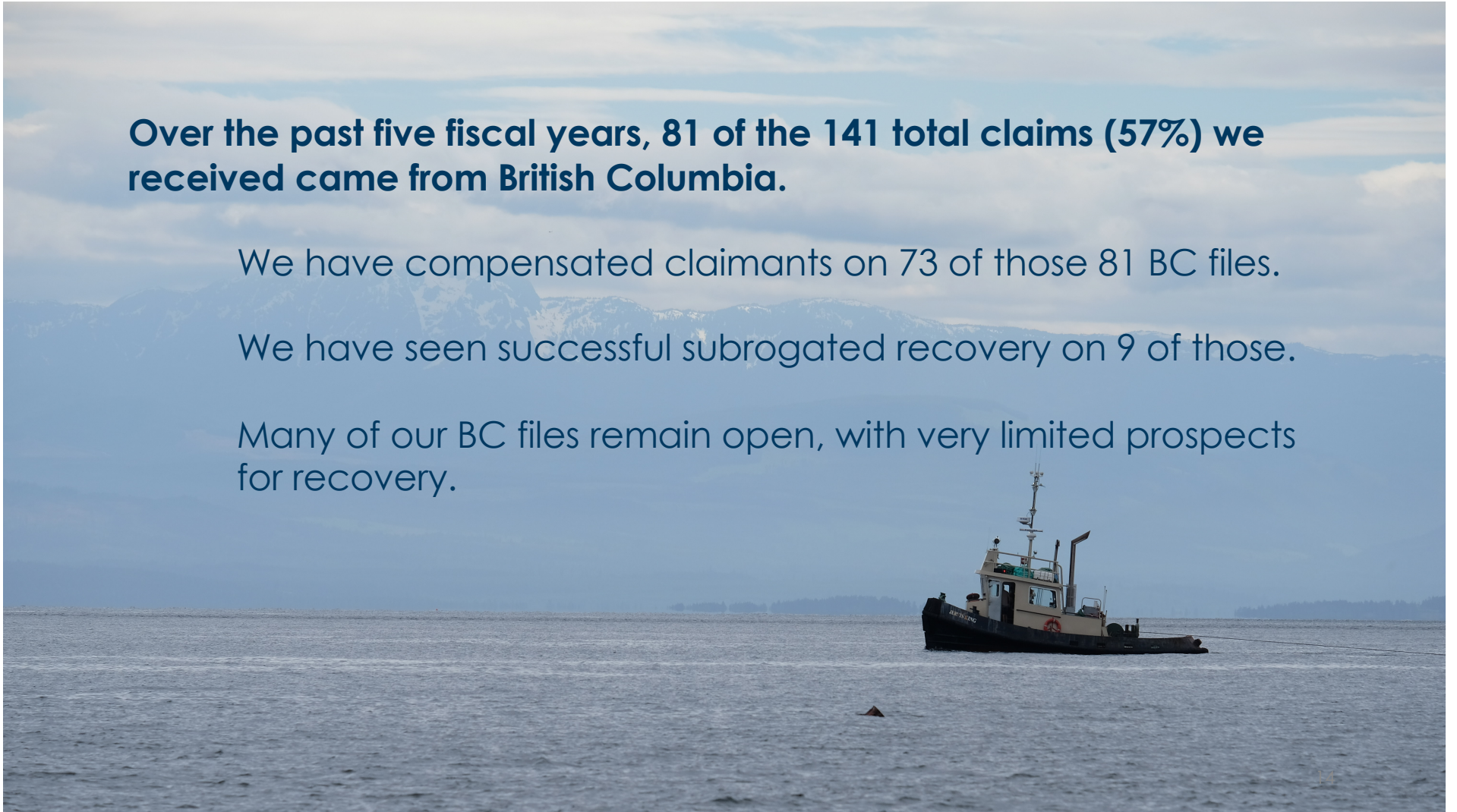
# **The Fund's West Coast Activities**

**Over the past five fiscal years, 81 of the 141 total claims (57%) we received came from British Columbia.**

We have compensated claimants on 73 of those 81 BC files.

We have seen successful subrogated recovery on 9 of those.

Many of our BC files remain open, with very limited prospects for recovery.



A scenic view of a bay with mountains in the background and a large ship on the water. The sky is hazy and the water is calm. The ship is a large bulk carrier, and the mountains are in the distance. The foreground shows some trees and a utility pole.

**Of our 9 BC recoveries, 4 involved insurers.**

Three of those files stemmed from the same incident, involving a foreign-flagged bulk carrier in English Bay.

The fourth stemmed from a fishing vessel fire.



**We know the importance of preparing for transboundary and large-scale incidents on the compensation side:**

Participation in Transboundary Liability and Compensation (TLC) meetings and exercises.

Recent Memorandum of Understanding with large international insurers.

Close collaboration with the International Oil Pollution Funds (IOPC Funds).



# **Recent Court Cases: Appeals from Our Compensatory Decisions**

## The owner of the only vessel involved in a ship-source oil pollution incident cannot recover its response costs from the Fund.

*Haida Tourism Limited Partnership (West Coast Resorts) v Canada (Ship-source Oil Pollution Fund), 2022 FC 1249, appeal pending before the FCA. [The West Island 395]*



**The two-year limitation period for direct claims to the Fund applies where the evidence shows that a discharge of any volume of oil *probably* occurred, even where there is no direct evidence of a discharge.**

*Canada v Canada (Ship-source Oil Pollution Fund), 2022 FC 1310. [The Stelie II and the Miss Terri]*



# Questions?

Don't hesitate to contact us at [info@sopf-cidphn.gc.ca](mailto:info@sopf-cidphn.gc.ca)

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